

FIDELITY GUARANTEE INSURANCE POLICY

PREAMBLE

WHEREAS the Insured named in the Schedule hereto by a proposal and declaration, which shall be the basis of this contract and is deemed to be incorporated herein, has applied to the Liberty Videocon General Insurance Company Limited (hereinafter called the “Company”) for the Insurance hereinafter contained and has paid the premium as consideration for such Insurance in respect of accident or damage occurring during the Period of Insurance stated in the Schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of this Policy.

OPERATIVE CLAUSE

The Company hereby agrees, subject to the terms, provisos, exclusions, conditions and definitions contained herein or endorsed or otherwise expressed hereon, to indemnify the Insured against a direct pecuniary loss sustained by reason of any act of fraud / dishonesty committed by the Employee on or after the date of commencement of this Policy and during uninterrupted service of the Employee with the Insured and discovered during the continuance of this Policy or within twelve calendar months of the expiration thereof and in the case of death, dismissal or retirement of the Employee within twelve calendar months of such death, dismissal or retirement whichever of these events shall first happen.

PROVIDED ALWAYS THAT

- i. The liability of the Company shall not exceed
 - (a) in respect of any employee the Sum Insured stated against his name or as declared herein.
 - (b) In respect of all claims under this Policy, the Total Sum Insured.
- ii. If this Policy shall be continued in force for more than one Period of Indemnity or if any liability shall exist on the part of the Company under this Policy and also under any other Policy in respect of fraud or dishonesty of the Employee, the liability of the Company hereunder shall not be accumulated or increased thereby but the aggregate liability of the Company during any number of periods of Indemnity and for any number of acts of fraud or dishonesty committed by the Employee shall not exceed the Sum Insured hereunder or the Sum Insured under any other such Policy as aforesaid whichever is greater.
- iii. The Company shall not be liable to pay more than one claim in respect of the action of any one Employee.

EXCLUSIONS

A. This Policy does not cover the following unless specially mentioned in the Schedule and expressly insured by the Policy:-

- 1) The amount of the Excess specified in the Schedule ascertained after the application of all other terms and conditions of this Policy including any condition of average (under-insurance).
- 2) The Company shall not be liable in respect of losses arising elsewhere than in India.
- 3) Any consequential losses of any kind, be they by way of loss of profit, any loss not reflected in the Insured's books of account, loss of opportunity, business interruption, market loss, loss of gain or potential income or gain which should have accrued to the Insured (including but not limited to interest and dividends), or otherwise;
- 4) Any legal liability of any kind;
- 5) Any fraudulent or dishonest act of an Employee not discovered within 12 months (subject to general condition no. 16) of the date upon which such Employee ceased to be an employee of the Insured for any reason;
- 6) Any expenses incurred by the Insured in establishing the existence of or quantification of any fact or matter giving rise to a Claim under this Policy;
- 7) Any fact or matter or circumstance of which the Insured was, or ought reasonably to have been, aware at the commencement of the Policy Period.
- 8) The Company shall not be liable to make any payment hereunder if the nature of the Business of the Insured or the duties or conditions of service of any of the Employed shall be changed or the remuneration of any of the Employed reduced or its basis altered without the sanction of the Company or if the precautions and checks for securing accuracy of the accounts mentioned in the said Proposal and correspondence relative thereto shall not be duly observed or if the Insured shall continue to entrust the Employee with money or goods after having knowledge of any material fact bearing on the honesty of the Employee.
- 9) If at the time of any loss arising under this Policy there be any other subsisting guarantee or security in respect of the acts or defaults of the person or persons Employed the Company shall not be liable to pay or contribute more than its rateable proportion of such loss.
- 10) The Company shall not be liable for any unexplained losses or shortages discovered at stock taking nor any further loss in respect of the Employee concerned upon or after the discovery of a default committed by such Employee.

DEFINITIONS

1. **“Period of Insurance”** means the period between the commencement date and the expiry date shown in the Schedule.
2. **“Proposal”** means any signed proposal by filling up the questionnaires and declarations, written statements and any information in addition thereto supplied to Company by Insured or on Insured’s behalf.
3. **“Policy”** means the Policy Booklet, the Schedule, the Proposal and any applicable endorsements or memoranda. The policy contains the details of the extent of the cover available to the Insured, what is excluded from the cover and the conditions, warranties on which the Policy is issued.
4. **“Schedule”** means the latest schedule issued by the Company as part of the Policy. It provides details of the Insured’s Policy including full description of properties covered which are in force and the period of cover against the properties described. Whenever the Insured requests for a change in the cover, the same will be communicated by way of an endorsement, subject to payment of premium by the Insured as demanded by the Insurer for such change in cover.
5. **“Limit of Liability”** means the amount stated in the Schedule, which shall be the Company’s maximum liability under this Policy (regardless of the number or amount of claims made) in the aggregate for all claims made during the Policy Period.
6. **“Excess”** means the amount stated in the Schedule, which shall be borne by the Insured in respect of each and every Claim made under this Policy.
7. **“Business”** means the business of the Insured as stated in the Schedule.
8. **“Claim”** means a claim under an Operative Clause in respect of an insured event that has taken place or is likely to take place.
9. **“Employee”** means any person with whom the Insured has entered into a contract of service.
10. **“Employed”** mean either any employee named in the Schedule of the Insured Or all Employees of the Insured occupying a position named in the Schedule.
11. **“Fraud or Dishonesty”** shall mean the act of stealing, misappropriation, embezzlement or fraudulent conversion on the part of the Employed.

12. **“Direct Financial Loss”** means the loss of moneys and or stock at prime cost belonging to the Insured proved to have been criminally misappropriated and disposed of by the Employed excluding any consequential loss of any kind.
13. **“Business Hours”** or **“Office Hours”** means the Insured’s normal trading hours or whilst the Insured or their authorized employees are on the premises for the purpose of the business.
14. **“Contents”** means items declared for Insurance and specified in the Schedule.
15. **“Money”** means Cash, current coins, Bank and Currency Notes, Cheques, Postal Order, Current postage stamps which are not part of a collection and luncheon Voucher.

SPECIAL CONDITIONS

1. The Company shall not be bound to give notice or be affected by any notice of any trust charge lien assignment or other dealing with or relating to any contract of Insurance but the receipt of the Insured or his legal representatives shall in all cases be an effectual discharge to the Company.
2. If required by the Company, the agent of the Insured shall in case of any loss to the Insured be permitted at all reasonable times to examine into the circumstances of such loss and the Insured shall on being required so to do by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss in his possession and furnish copies of or extracts from such of them as may be required by the Company so far as they relate to such claims or will in any way enable the Company to ascertain the correctness thereof or the liability of the Company under this policy.
3. The Company shall be entitled at its own expenses and for its own benefit, in the name of the Insured to prosecute all claims and exercise all rights of action competent to the Insured against the Employee in respect of any act insured against in connection with which it may have made payment under this Policy and the Insured shall give to the Company all such information and assistance as may be reasonably required for maintaining such claims or rights.
4. For the purpose of identifying Employee in all cases of change of residence or occupation or change of name whether by marriage or otherwise, due notice thereof in writing shall be given by the Insured to the Company.
5. Any of the circumstances in relation to these conditions coming to the knowledge of any official of the Company shall not be the notice to or be held to bind or prejudicially affect the Company notwithstanding subsequent acceptance of any premium.

GENERAL CONDITIONS

1. Employees:

No persons other than Employees shall be covered under this Policy unless and until a person's name or category of employees has been notified in writing to the Company, any additional premium due has been paid and the Company's agreement to extend cover has been indicated by it issuing an endorsement confirming the addition of such employee or category as an Employee.

2. Notices and Alterations to the Policy:

Every notice and communication to the Company required by this Policy shall be in writing and be addressed to the nearest office of the Company and the acknowledgement of service shall be obtained from the Company. No receipt for renewal premium is valid except on the official form issued by the Company and no endorsement on this Policy or alteration in the terms thereof is valid unless countersigned by an authorized official of the Company or by an agent acting under Power of Attorney from the Company.

3. Termination of Insurance:

Under any of the following circumstances the Insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the policy by or on behalf of the Company :-

- a) If the nature of the occupation of or other circumstances affecting the property insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by Insured Perils.
- b) If the interest in the property passes from the Insured otherwise than by will or operation of law.

4. Duty of Disclosure:

This Policy shall be void and all premiums paid hereon shall be forfeited to the Company in the event of misrepresentation, misdescription or non-disclosure of any material fact in the proposal form, personal statement, declaration and connected documents, or any material information having been withheld.

5. Basis of Loss Payment:

If a loss is sustained by the Insured as a result of the fraudulent or dishonest conduct of a named Employee and/or persons comprising a category of Employees and other employees, then the

liability of the Company shall stand reduced in the same proportion as the number of named Employees and/or categories of Employees bears to the number of employees involved in causing the said loss.

If a loss is sustained by the Insured as a result of the fraudulent or dishonest conduct of a member or members of a category of Employees, and the actual number of Employees in such category exceeds the number of employees noted in the Schedule against such category, then the liability of the Company shall stand reduced in the same proportion as the number of Employees in such category bears to the actual number of Employees in such category.

Any monies which, but for the dishonest or fraudulent conduct of the Employee concerned, would have been payable to such Employee by the Insured and any monies of such Employee with the Insured (or which may come into the custody, care or control of the Insured) shall be applied by the Insured, to the extent it is legally entitled to do so, against the amount payable by the Company in diminution or extinction of any loss.

In no event shall the Company be liable under this Policy for more than the actual cash value of money, bullion, travelers cheques, negotiable instruments, bearer bonds or coupons, stamps, cheques, bank or currency notes or similar instruments on the day upon which the loss is discovered.

6. Reasonable Care:

The Insured shall take all ordinary and reasonable precautions for the safety of the property insured, and shall keep complete and accurate books of account, and in relation to any merchandise the Insured shall keep a complete and accurate record of all business purchases, sales and deliveries in and out of the premises, and such record shall be regularly entered up as soon as such purchases sales or deliveries shall have taken place.

7. Records to be Maintained:

If any part of the premium or renewal is based on estimates furnished by the Insured, the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of each Period of Insurance, furnish such information as the Company may require. The premium or renewal premium shall thereupon be adjusted and the difference paid or allowed to the Insured.

8. Mid Term Increase in Sum Insured:

In the event of an increase in the Sum Insured being agreed to, the Company shall charge on such increased sum an additional premium on a basis proportionate to the unexpired period of the policy.

9. Mid Term Reduction in Sum Insured:

In the event of a decrease in the Sum Insured being agreed to, the Company shall refund premium on such reduction in Sum Insured. The premium refunded will be Premium collected less premium chargeable for the expired period on Short period scale. Expired period herein is period from policy inception date till date of decrease in Sum Insured endorsement.

The Short Period scale is as below:

Sl. No	Period		Rate
1	For a period not exceeding	15 days	10% of Annual Rate
2	----- do -----	1 Month	15% of Annual Rate
3	----- do -----	2 Months	30% of Annual Rate
4	----- do -----	3 Months	40% of Annual Rate
5	----- do -----	4 Months	50% of Annual Rate
6	----- do -----	5 Months	60% of Annual Rate
7	----- do -----	6 Months	70% of Annual Rate
8	----- do -----	7 Months	75% of Annual Rate
9	----- do -----	8 Months	80% of Annual Rate
10	----- do -----	9 Months	85% of Annual Rate
11	For a period exceeding	9 Months	Annual Rate

10. Contribution:

If at the time of happening of any loss or damage covered by this Policy there shall be existing any other Insurance of any nature whatsoever covering the same loss or damage covered by this Policy, whether effected by the Insured or not, then the Company shall not be liable to pay or contribute more than its rateable proportion of any loss or damage.

11. Subrogation:

The Insured and any claimant under this Policy shall at the expense of the Company do or concur in doing or permit to be done all such acts and things that may be necessary or

reasonably required by the Company for the purpose of enforcing any rights and remedies or obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss or damage under this Policy whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.

12. Fraud:

If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or device are used by the Insured or any one acting on the Insured's behalf to obtain any benefit under this policy, all benefits and rights under the Policy shall be forfeited.

13. Cancellation:

The Company may at any time cancel this Policy in the event of misrepresentation, misdescription or non-disclosure of any material fact in the proposal form, personal statement, declaration and connected documents, or any material information having been withheld, by giving 15 days' notice in writing to the Insured at his last known address, in which case the Company shall return to the Insured a proportion of the last premium corresponding to the unexpired Period of Insurance.

The Insured may also give a 15 days' notice in writing to the Company for the cancellation of this Policy, in which case the Company shall retain the premium for the period this Policy has been in force at the Company's short period scales, provided no claim has occurred up to the date of cancellation of this Policy. Notwithstanding the above, if the policy is cancelled by the Insured after a loss has occurred, the premium to be retained by the Company shall be the pro-rata proportion of the premium calculated on the average amount insured upto the date of cancellation plus the pro-rata proportion of the premium from the date of loss to the expiry of the Period of Insurance on the amount of loss paid.

14. Arbitration:

If any dispute or difference shall arise as to the quantum to be paid under this Policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties thereto or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no dispute or difference shall be referable to arbitration as herein before provided, if the Company has disputed or not accepted liability under or in respect of this Policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

It is also hereby expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim herein under, and such claim shall not within 12 calendar months from the date of such disclaimer have been made the subject matter of a suit in a Court of Law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

15. Claims Procedure:

1. On the happening of any loss or damage coming to the notice of the Insured, the Insured shall give immediate notice thereof to the Company and shall within 15 days after the discovery of the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company
 - a) A claim in writing for the loss or damage containing as particular an account as may be reasonably practicable of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage not including profit of any kind.
 - b) Particulars of all other Insurances, if any

The Insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specification books, vouchers, invoices, duplicates or copies thereof, documents, investigation reports (internal/external), proofs and information with respect to the claim and the origin and cause of the loss and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this policy shall be payable unless the terms of this condition have been complied with to the satisfaction of the Company.

2. In no case whatsoever shall the Company be liable for any loss or damage after the expiration of 12 months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration; it being expressly agreed and declared that if the Company shall disclaim liability for any claim hereunder and such claim shall not within 12 calendar months

from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

16. Prosecution:

The Insured upon becoming aware of any loss or damage in respect of which a claim is or may be made shall take all practicable steps to discover the person by whom the property was stolen or the premises damaged and to prosecute and obtain the conviction of such person for the offence and to trace and recover any property stolen.

17. Geographical Scope:

The geographical scope of this policy will be India.

18. Renewal Notice:

The Company shall neither be bound to issue any renewal notice nor to accept renewal premium thereunder. Unless renewed as herein provided, this Policy shall terminate at the expiration of the period for which the premium has been paid.

19. Observance of Terms and Conditions:

The due observance of the terms of this Policy by the Insured insofar as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said proposal and declaration shall be conditions precedent to any liability of the Company to make any payment under this Policy. If there shall be any mis-statement in or omissions of a material fact from the information supplied by the Insured whether by the said proposal and declaration or otherwise, this Policy shall be null and void and any premium paid thereon shall be forfeited. No transfer in the interest in this Policy and no waiver of alterations to or change in the terms of this Policy shall be valid unless made in writing and signed by the Company.

20. Jurisdiction:

This policy shall be governed by the laws of India and is subject to the exclusive jurisdiction of the courts of India.

21. Claim Settlement:

The Company will settle the claim under this policy within 30 days from the date of receipt of necessary documents required for assessing the claim. In the event that the Company decides to

reject a claim made under this policy, the Company shall do so within a period of thirty days of the survey report or the additional survey report, as the case may be, in accordance with the provisions of Protection of Policyholders' Interest Regulations 2002.

22. Grievances:

In case the Insured is aggrieved in any way, the Insured may contact Insurer at the specified address, during normal business hours. In case the Insured/Insured Person has not got his/her grievances redressed by the Company within 15 days, then he/she may approach the Insurance Ombudsman for the redressal of the same. A list containing the addressees of Offices of Ombudsman is attached to this Policy. Policy holder may also obtain copy of IRDA circular number 1385_GI-2002_ENG dated 26-04-2002, notification on Insurance Regulatory and Development Authority (Protection of policy holders' interests) Regulations, 2002.

GRIEVANCE REDRESSAL PROCEDURE

We assure the best customer service from our end to our valued Insured/Insured Person(s) and request you to adopt following procedure in case of any service related query or grievance.

You may communicate your query or grievances by sending a letter to below mentioned address or to your nearest branch or email at below mentioned email ID or by calling at our below mentioned call center number.

Customer Care Cell
 Liberty Videocon General Insurance Company Limited
 10th Floor, Tower A, Peninsula Business Park, Lower Parel, Mumbai
 E-mail : _____
 Toll Free No . _____

Please include your Policy number in all you communication with the Company. This will help us resolve the issue more efficiently.

If You are not satisfied with redressal of Your grievance, You may approach the nearest Insurance Ombudsman for resolution of Your grievance. The contact details of the Ombudsman offices are mentioned

Below;

Office of the Ombudsman	Contact Details	Areas of Jurisdiction
AHMEDABAD	Insurance Ombudsman, Office of the Insurance Ombudsman, 2nd Floor, Ambica House, Nr. C.U. Shah College, Ashram Road, AHMEDABAD-380 014 . Tel.:- 079-27546840 Fax : 079-27546142 Email ins.omb@rediffmail.com	Gujarat , UT of Dadra & Nagar Haveli, Daman and Diu
BHOPAL	Insurance Ombudsman, Office of the	Madhya Pradesh & Chhattisgarh

	Insurance Ombudsman, Janak Vihar Complex, 2 nd Floor, 6, Malviya Nagar, Opp. Airtel, Near New Market, BHOPAL(M.P.)-462 023. Tel.:- 0755-2569201 Fax : 0755-2769203 Email bimalokpalbhopal@airtelmail.in	
BHUBANESHWAR	Insurance Ombudsman, Office of the Insurance Ombudsman, 62, Forest Park, BHUBANESHWAR-751 009. Tel.:- 0674-2596455 Fax : 0674-2596429 Email ioobbsr@dataone.in	Orissa
CHANDIGARH	Insurance Ombudsman, Office of the Insurance Ombudsman, S.C.O. No.101-103, 2nd Floor, Batra Building. Sector 17-D, CHANDIGARH-160 017. Tel.:- 0172-2706468 Fax : 0172-2708274 Email ombchd@yahoo.co.in	Punjab , Haryana, Himachal Pradesh, Jammu & Kashmir , UT of Chandigarh
CHENNAI	Shri V. Ramasaamy, Insurance Ombudsman, Office of the Insurance Ombudsman, Fathima Akhtar Court, 4th Floor, 453 (old 312), Anna Salai, Teynampet, CHENNAI-600 018. Tel.:- 044-24333668 /5284 Fax : 044-24333664 Email insombud@md4.vsnl.net.in	Tamil Nadu, UT–Pondicherry Town and Karaikal (which are part of UT of Pondicherry)
NEW DELHI	Shri Surendra Pal Singh, Insurance Ombudsman, Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Bldg., Asaf Ali Road, NEW DELHI-110 002. Tel.:- 011-23239633 Fax : 011-23230858 Email iobdelraj@rediffmail.com	Delhi & Rajasthan
GUWAHATI	Shri Sarat Chandra Sarma, Insurance Ombudsman, Office of the Insurance Ombudsman, “Jeevan Nivesh”, 5 th Floor, Near Panbazar Overbridge, S.S. Road, GUWAHATI-781 001 (ASSAM). Tel.:- 0361-2132204/5 Fax : 0361-2732937. Email ombudsmanghy@rediffmail.com	Assam , Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura
HYDERABAD	Shri K Chandrahas, Insurance Ombudsman, Office of the Insurance Ombudsman, 6-2-46, 1 st Floor, Moin Court, A.C. Guards, Lakdi-Ka-Pool, HYDERABAD-500 004. Tel : 040-65504123 Fax: 040-23376599, Email insombudhyd@gmail.com	Andhra Pradesh, Karnataka and UT of Yanam – a part of the UT of Pondicherry

ERNAKULAM	Insurance Ombudsman, Office of the Insurance Ombudsman, 2nd Floor, CC 27/2603, Pulinat Bldg., Opp. Cochin Shipyard, M.G. Road, ERNAKULAM-682015 . Tel : 0484-2358759 Fax : 0484-2359336. Email iokochi@asianetindia.com	Kerala , UT of (a) Lakshadweep , (b) Mahe – a part of UT of Pondicherry
KOLKATA	Ms. Manika Datta, Insurance Ombudsman, Office of the Insurance Ombudsman, North British Bldg., 29, N.S. Road, 4 th Floor, KOLKATA-700 001 . Tel : 033-22134866 Fax : 033-22134868. Email iombkol@vsnl.net	West Bengal , Bihar , Jharkhand and UT of Andeman & Nicobar Islands , Sikkim
LUCKNOW	Insurance Ombudsman, Office of the Insurance Ombudsman, Jeevan Bhawan, Phase-2, 6 th Floor, Nawal Kishore Road, Hazaratganj, LUCKNOW-226 001 . Tel : 0522 -2231331 Fax : 0522-2231310 Email insombudsman@rediffmail.com	Uttar Pradesh and Uttaranchal
MUMBAI	Shri S Viswanathan, Insurance Ombudsman, Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S.V. Road, Santacruz(W), MUMBAI-400 054 . Tel : 022-26106928 Fax : 022-26106052 Email ombudsmanmumbai@gmail.com	Maharashtra , Goa

The updated grievances redressal procedure shall be provided on the website of the Company and is subject to change in compliance with guidelines/regulations issued by Insurance Regulatory and Development Authority.